

Medi-Share Information

Summary of the case:

The Kentucky Department of Insurance first took action against Medi-Share, a medical "sharing" program run by Christian Care Ministry, an arm of the American Evangelistic Association, in 2002. The Department claims Medi-Share is insurance and is not exempt from the Kentucky Insurance Code and, therefore, should be regulated as a health insurer.

Medi-Share claims that it is not insurance and should not be regulated by the Department of Insurance.

After a lengthy court challenge, Judge Thomas Wingate ruled in January 2007 that Medi-Share is not insurance and is exempt under the religious publication exemption statute in the Kentucky Insurance Code.

The Kentucky Office of the Attorney General appealed this decision to the Kentucky Court of Appeals. On Oct. 10, 2008, the Court ruled 2-1 in favor of Medi-Share.

The Office of the Attorney General then appealed to the Supreme Court of Kentucky, asking for a discretionary review of the Court of Appeals' decision.

On March 11, 2009, the Office of the Attorney General was notified that the Supreme Court of Kentucky had granted its request for review. The case is scheduled to be heard by the state Supreme Court on Jan. 14, 2010.

Below is a chronology of events in the Medi-Share case as posted on the KOI Web site.

March 11, 2009

The Supreme Court of Kentucky granted a motion for review of the decision of the Kentucky Court of Appeals.

Oct. 10, 2008

The Kentucky Court of Appeals ruled 2-1 in favor of Medi-Share. A motion was filed, requesting a review by Supreme Court of Kentucky.

Aug. 13, 2007

The Office of the Attorney General filed a notice of appeal with the Kentucky Court of Appeals on March 28, 2007.

Jan. 18, 2007

News Release

'SHARING' PLAN MAY CONTINUE TO OPERATE IN KENTUCKY
Office of Insurance claimed group was unauthorized insurance

FRANKFORT, Ky. (Jan. 18, 2007) – Medi-Share, a medical "sharing" program run by Christian Care Ministry, an arm of the American Evangelistic Association, can continue to operate in Kentucky, Franklin Circuit Court Judge Thomas Wingate ruled today.

The Kentucky Office of Insurance had been in court with the group since June 2002. The agency charged that Medi-Share was operating as an unauthorized health insurance company.

The office cautions consumers that participation in a "sharing" program is not the same as having a policy issued by an authorized insurance company and the Office of Insurance will not be able to assist if a medical expense is not paid.

According to court testimony by Christian Care Ministry officials, about 300 families in Kentucky participate in the program.

Feb. 9, 2004

Update on Medi-Share

The Kentucky Office of Insurance has filed a motion requesting that a hearing date be set in the ongoing litigation against E. John Reinhold, American Evangelistic Association, Christian Care Ministry and Medi-Share. The motion is scheduled to be heard on Feb. 16, 2004.

Sept. 12, 2002

Update regarding E. John Reinhold, American Evangelistic Association, Christian Care Ministry and Medi-Share Sept. 12, 2002

Due to time constraints in Franklin Circuit Court, the Sept. 12 hearing regarding the above case has been postponed until Sept. 30 at 1:30 p.m.

Judge William L. Graham issued a restraining order on June 21 against E. John Reinhold of West Melbourne, Fla., doing business as American Evangelistic Association, Christian Care Ministry and Medi-Share. The Department of Insurance alleges that the defendant was transacting insurance business in Kentucky without proper authorization. The hearing is to address the Department's motion for a temporary injunction and the defendant's motion to quash the restraining order and dismiss the case.

July 2, 2002

State gets restraining order to halt sale of unauthorized health insurance

FRANKFORT, Ky. - The Department of Insurance has obtained a restraining order against a Florida man that the agency alleges has been marketing health insurance to Kentuckians without proper authorization, Insurance Commissioner Janie A. Miller announced today.

Judge William L. Graham of the Franklin Circuit Court issued the restraining order on Friday, June 21, against E. John Reinhold of West Melbourne, Fla., doing business as American Evangelistic Association, Christian Care Ministry, and Medi-Share. Reinhold is restrained from doing unauthorized insurance business in Kentucky.

The insurance coverage was marketed through a Web site.

Insurance officials stressed that Kentucky residents who have a policy with Medi-Share do not have insurance coverage. They might have to pay their own medical bills if the company fails to meet its financial obligations. These policyholders should immediately seek other health coverage.

Consumers with questions may call the Department of Insurance toll free at 1-800-595-6053 and ask for Consumer Protection and Education. The TTY line for the deaf or hard-of-hearing is 1-800-462-2081.

Information about health insurance options, **HMOs and Insurers Authorized to Write Health Benefit Plans in Kentucky**, and **Consumer Alert: Unauthorized Health Plans and "Sharing" Programs** are available online under the Health Insurance and Shoppers Guides section on the **Free Publications** page at the DOI Web site -- <http://insurance.ky.gov/kentucky/>